

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

Action Taken 1

FEDERAL MILK ORDER NO. 3
St. Louis, Missouri-Illinois

* Marketing Area:

1. All territory in St. Louis County, and the cities of St. Louis and St. Charles, Missouri; the following areas in St. Clair County, Illinois: East St. Louis, Centreville, Canteen and Stites Townships; the city of Belleville and the Scott Military Reservation.

Population (1950 Census): 1,433,837

Principal places: St. Louis, University City, Webster Grove, and St. Charles, Missouri; East St. Louis and Belleville, Illinois.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing plant from which Class I milk is disposed of in the marketing area.
3. The operator of an unregulated supply plant from which Grade A milk is shipped to a plant distributing Class I milk in the marketing area.
4. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.
- * 5. A cooperative association with respect to members' milk delivered for its account to a regulated plant in a tank truck controlled by the association, if it elects to report as a handler with respect to such milk.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I received only from his own production or from regulated plants is distributed in the marketing area.

* Producer:

1. Any person (except a producer-handler or a dairy farmer whose milk is delivered to a regulated plant March-August if nonpool milk was delivered by such a farmer in the preceding months of September-February) who produces milk inspected and approved for fluid consumption by any health authority which is received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant from which during the month:
 - a. Disposition of Class I milk on routes in the marketing area is 25 percent or more of receipts from dairy farmers and other plants; and

- b. Total route disposition of Class I milk is 50 percent or more of receipts from dairy farmers and other plants.
- c. A plant which qualifies under "a" and "b" in any month is a regulated plant in the following month.

- * 2. Supply plant. A plant which disposes of 50 percent or more of its approved receipts to regulated distributing plants which have no other source receipts. If shipments are made to regulated distributing plants which have other source receipts, the shipping requirements for supply plant status are the lesser of:
 - a. 75 percent or more of approved receipts.
 - b. 50 percent or more of approved receipts plus its prorata share of approved other source milk at the regulated distributing plant.
 A plant which qualifies as a supply plant in each of the months September through February is a supply plant in the following March through August unless non-regulated status is requested.

Method of Accounting for Milk:

- 1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

- 1. Class I. All skim milk and butterfat:
 - a. Disposed of in the form of fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
 - b. Not accounted for as Class II milk.
- 2. Class II. All skim milk and butterfat:
 - a. Used to produce any product other than a fluid milk product.
 - b. Contained in inventories of fluid milk products at the end of the month.
 - c. In shrinkage of producer and other-source milk not to exceed:
 - (1) 2 percent of milk received in cans from dairy farmers. On receipts transferred in bulk to another plant shrinkage is assigned 0.5 percent to plant receiving from dairy farmers, 1.5 percent to other plant.
 - (2) 1.5 percent of milk received via bulk tank.

Transfers Between Regulated Plants:

- 1. Transfers from one regulated plant to another:
 - a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

- 1. The following are Class I (except non-Grade A cream transferred to plants outside the marketing areas is Class II):
 - a. Transfers to producer-handlers.

- b. Transfers of fluid milk products in consumer packages.
- c. Transfers to unregulated plants within 110 miles from St. Louis or in Missouri, south of the Missouri River or plants in Fulton County, Arkansas, unless another class is claimed by the transferring handler and Class II utilization at the unregulated plant is equal to the transfer.
- d. Transfers of milk, skim milk or cream to plants 110 miles or more from St. Louis except in Missouri south of the Missouri River or in Fulton County, Arkansas.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):
 - a. Receipts from plants not subject to another Federal order.
 - b. After assigning 5 percent of producer milk, receipts from plants subject to another Federal order.
2. Compensatory payments. Apply to receipts in Class I, above.
 Payment rate: Class I price adjusted by butterfat and location differentials, less:
 - a. March-July: Class II price, adjusted by Class II butterfat differential.
 - b. August-February: Uniform price, adjusted by the producer butterfat and location differentials.

Class Prices: (3.5 percent butterfat test)

1. Basic formula. Higher of the following:
 - a. Midwest condenseries. Average price paid (3.5 percent) at Midwest condenseries and at:
 - Carnation Company, Seymour, Missouri
 - Carnation Company, Ava, Missouri
 - Litchfield Creamery, Litchfield, Illinois
 - Pet Milk Company, Greenville, Illinois
 - b. $(\text{Chicago 92-score butter price} \times 4.2) + (\text{Chicago area spray-roller powder price} - 5.5 \text{ cents} \times 7.0)$.
- * 2. Class I. Class I price under Order No. 41 (Chicago 55-70 mile zone) plus 50 cents with a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of producer receipts and gross Class I in the 12-month period ending with 2nd preceding month and a standard utilization percentage of 130. Adjustment is 2 cents for each one percent that utilization in the market differs from the standard.
3. Class II.
 - a. August-February: basic formula price.
 - b. March-July: $(\text{Chicago 93 (92) score butter price} \times 4.24) + (\text{Chicago area spray powder price} \times 8.2) - 81 \text{ cents}$.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the previous month $\times 0.120$.

2. Class II. Chicago 92-score butter price for the current month x 0.115.
3. Producer. Same as Class II.

* Location Differentials:

1. Class I and producer. Prices established at the 0-30 mile zone measured from St. Louis; deduct:
 - a. 16 cents - 30 to 40 miles.
 - b. 1 cent - each additional 10 miles.

Type of Pool:

1. Market wide, monthly pool with seasonal incentive payment plans under which deductions at the rate of 10 cents per hundred pounds are withheld from payments to producers, April-July, and paid out at the rate of one-third of the fund, each month October-December.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 2.5 cents per hundredweight of producer milk and other-source milk allocated to Class I except milk priced under another order.
2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.
2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order are not subject to regulation under this order, except for reports which may be required by the market administrator.
2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:
 - a. Submit required reports to the market administrator.
 - b. Pay specified administrative assessment - see "Expense of Administration" provisions.
 - c. Make compensatory payments:
 - (1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants.

FEDERAL MILK ORDER NO. 125
Indianapolis, Indiana

Marketing Area:

1. All territory, including governmental installations and institutions, in the following Indiana counties: Boone, Clinton, Delaware, Fayette, Grant, Hamilton, Hancock, Hendricks, Henry, Howard, Johnson, Madison, Marion, Montgomery, Morgan, Putnam, Rush, Shelby, Tippecanoe, Tipton, and Wayne.

Population (1950 Census): 1,367,045

Principal places are: Indianapolis, Muncie, Anderson, Richmond, Kokomo, Lafayette, Marion, and New Castle, Indiana.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing plant from which Grade A milk is disposed of in the marketing area.
3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.

Producer-Handler:

1. A dairy farmer who operates a plant from which Grade A milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:
 - a. Disposition of Grade A milk on routes in the marketing area is 10 percent or more of receipts from dairy farmers and other plants, and
 - b. Total route disposition of Grade A milk is 50 percent or more of receipts from dairy farmers and other plants.
2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of receipts from dairy farmers to regulated distributing plants. A plant which qualifies as a supply plant in the months August through January (August 1960 through January 1961) is a supply plant in the following April through July unless non-regulated status is requested.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:
 - a. Disposed of in the form of a fluid milk product, except sour cream. Fluid milk products; milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
 - b. Not accounted for as Class II milk.
2. Class II. All skim milk and butterfat:
 - a. Used to produce any product other than a fluid milk product.
 - b. Contained in inventories of fluid milk products on hand at the end of the month.
 - c. Disposed of to commercial food manufacturers.
 - d. Skim milk dumped, or disposed of for livestock feed upon notification of and verification by the market administrator.
 - e. In shrinkage of producer and other source milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:
 - a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:
 - a. Transfers of fluid milk products to producer-handlers.
 - b. Transfers of fluid milk products in consumer packages.
 - c. Bulk transfers of milk or skim milk, to plants within 150 miles from Indianapolis, unless another class is claimed by the transferring handler and utilization in Class I at the unregulated plants does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess and are prorated to receipts from all other Federal order plants.
 - d. Bulk transfers of cream to any unregulated plant unless the same conditions under "c" above exist.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):
 - a. Non-fluid milk products.
 - b. Fluid milk products not priced under another order.
 - c. Fluid milk products priced under another order. (Packaged fluid milk products received from plants regulated under another order are first subtracted from Class I).

2. Compensatory payments. Apply to receipts in Class I, above. Payment rate: Class I price adjusted by butterfat and location differentials, less:
 - a. April-July Class II price, adjusted by Class II butterfat differential.
 - b. August-March Uniform price, adjusted by Class I butterfat and location differentials.

Class Prices: (3.5 percent butterfat test)

1. Basic formula. The higher of the following:
 - a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent).
 - b. (Chicago 92-score butter price x 4.2) + (Chicago area spray-roller powder price - 5.5 cents x 8.2).
2. Class I. Basic formula price for the preceding month plus \$1.25.
3. Class II. The basic formula price.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the preceding month x 0.120.
2. Class II. Chicago 92-score butter price for the current month x 0.113.
3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 70 miles or more from (Indianapolis) deduct:
 - a. 10.0 cents - 70 to 80 miles
 - b. 1.5 cents - each additional 10 miles
(Deduct 5 cents for plants located outside Marion County, Indiana, and less than 70 miles from Indianapolis).

Type of Pool:

1. Marketwide monthly pool with seasonal incentive payment plan under which 8 percent of the Class I price is withheld April through July and the fund is paid out at the rate of 25 percent per month during September through December.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of producer milk and other source milk allocated to Class I.
2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - see Special Handler Provisions.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.
2. Base payment. No provision.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal Orders. Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.
2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:
 - a. Submit required reports to the market administrator.
 - b. Pay specified administrative assessment - see "Expense of Administration" provision.
 - c. Make compensatory payments:
 - (1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants; or, if the handler so elects,
 - (2) On all milk received from dairy farmers, amount paid is the difference between class values at order prices and payments to dairy farmers.

Appalachian and Bluefield merged 3-1-61

FEDERAL MILK ORDER NO. 23
Appalachian (Tenn.-Va.-W. Va.-Ky.)

Marketing Area:

1. All territory in Greene, Sullivan, and Washington Counties, Tennessee; Tazewell, Washington, and Wise Counties, Virginia; McDowell and Mercer Counties, West Virginia; and Harlan County, Kentucky.

Population (1950 Census): 599,071

Principal places are: Johnson^{city}, Kingsport, Bristol, and Greeneville, Tennessee; Bristol and Big Stone Gap, Virginia; Bluefield, Princeton, and Welch, West Virginia; Lynch-Benham, Kentucky.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing or supply plant from which Class I milk is disposed of in the marketing area.
3. A cooperative association with respect to producer milk diverted for the account of such an association from a regulated to an unregulated plant.
4. A cooperative association with respect to member producers' milk delivered for its account to a regulated plant in a tank truck controlled by the association if it elects to report as a handler with respect to such milk.

Producer-Handler:

1. A dairy farmer who operates a plant from which Class I milk received only from his own production or from regulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by an area health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant: (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by an area health authority and from which during the month;

a. Disposition of Class I milk on routes in the marketing area is 10 percent or more of total Class I route disposition; and

b. Total route disposition of Class I milk is 50 percent or more of receipts from dairy farmers.

2. Supply plant. A plant inspected and approved by an area health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers to a regulated plant. A plant which qualifies as a supply plant in the months August through March is a supply plant in the following April through July unless non-regulated status is requested.

3. Cooperative association plant.

a. A plant operated by a cooperative association if its members' milk shipped to other regulated plants is 70 percent or more of Class I utilization at all such other regulated plants during the month.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.

b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.

b. Contained in homogenized and chocolate milk disposed of for livestock feed.

c. Skim milk in products disposed of for livestock feed, other than in "b" above.

d. Skim milk dumped April through July upon notification of the market administrator.

e. Contained in inventories of Class I products on hand at the end of the month.

f. In shrinkage of producer milk and other source milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following are Class I:

- a. Transfers to producer-handlers.
- b. Transfers of fluid milk products in consumer packages.
- c. Bulk transfers to unregulated plants unless located within 200 miles of Bluefield, West Virginia or Kingsport, Tennessee; unless another Class is claimed by the transferring handler; and, unless utilization in Class II at the unregulated plants is equal to the transfers. If transfers exceed Class II utilization the transfers are Class I to the extent of the excess.
- d. Bulk transfers of Grade A cream unless Class II is claimed and Class II utilization at the unregulated plant is equal to the transfers.

Receipts from Unregulated Plants:

1. Classification. After first deducting packaged receipts of fluid milk products from Knoxville from Class I, then, beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):

- a. Non-fluid milk products reprocessed in the plant.
- b. Fluid milk products not priced under another order.
- c. Receipts from producers $\times .05$ (whenever producer receipts are less than 105 percent of Class I use at all regulated plants).
- d. Fluid milk products priced as Class I under another order.

2. Compensatory payments. Apply to "a", "b", and "d" in Class I, above, (whenever total deliveries of producer milk are 105 percent or more of net Class I at all regulated plants.) Payment rate: Class I price adjusted by butterfat and location differentials, less:

Class II price, adjusted by Class II butterfat differential. (For receipts in "a", Class I price used in determining rate is adjusted for location at the regulated plant; in "b", it is adjusted for location at the nearest unregulated plant; and in "d", it is adjusted for location at the nearest Federal order plant).

Class Prices: (4.0 percent butterfat test)1. Basic formula. The higher of the following:

- a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent) adjusted to 4.0 percent by adding Chicago 92-score butter price $\times 0.6$.
- b. $(\text{Chicago 92-score butter price} \times 4.8) + (3 \frac{3}{4} \text{ cents for each } 1/2 \text{ cent Chicago area spray-roller powder price is above 5 cents})$.

2. Class I. Basic formula price for the preceding month plus:

\$1.66: March-July
 \$2.10: August-February

3. Class II. March-August: Average price paid farmers by the following local plants for 4.0 percent milk:

Borden Company, Lewisburg, Tennessee
 Borden Company, Chester, South Carolina
 Carnation Company, Galax, Virginia
 Carnation Company, Murfreesboro, Tennessee
 Carnation Company, Statesville, North Carolina
 Franklin Milk Company, Jonesboro, Tennessee
 Kraft Foods Company, Independence, Virginia
 Kraft Foods Company, Greeneville, Tennessee
 Pet Milk Company, Greeneville, Tennessee
 Pet Milk Company, Abingdon, Virginia

September-February: The higher of the following:

- a. Local plant price.
- b. (Chicago 92-score butter price x 4.8) + (Chicago area spray powder price x 8.2) minus 75 cents.

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the previous month x 0.12.
2. Class II. Chicago 92-score butter price for the previous month x 0.11.
3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 50 miles or more from Princeton, Bluefield or Welch, West Virginia; Kingsport, Tennessee; or Harlan, Kentucky, whichever is closest; deduct:
 - a. 10.0 cents - 50 to 59 miles.
 - b. 1.5 cents - each additional 10 miles.

Type of Pool: Market wide, monthly pool with base payment.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 5 cents per hundredweight of producer milk and other source milk allocated to Class I.
2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 6 cents per hundredweight, deductible from non-members must be paid to the market administrator.

2. Base payment. Base payment plan applies April-July with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of September-February by the number of days of delivery during the period (not less than 120 days).

- a. Provides for bases for dairy farmers who become producers by virtue of plant status changing from unregulated to regulated.
- b. Transfers to family members and joint holders are permitted under specified circumstances.

Special Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal orders. Handlers who disposed of a greater portion of their Class I milk on routes in the marketing area of another order are not subject to regulation under this order, except for reports which may be required by the market administrator.

2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:

- a. Submit required reports to the market administrator.
- b. Pay specified administrative assessment - see "Expense of Administration" provision.
- c. Make compensatory payments:

(1) On Class I route disposition in the marketing area which is in excess of receipts priced as Class I under any order; rate is that applicable to non-fluid receipts from unregulated by regulated plants.

U.S. DEPT. OF AGRICULTURE
LIBRARY
OCT 11 1961
CURRENT SERIAL RECORDS